



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

October 6, 1994

Mr. A. Paul Mogensen
President
Chief Consolidated Mining Company
28757 Clover Lane
Evergreen, Colorado 80439

Re: Notice of Intention to Commence Small Mining Operations, Chief No. 2 Mine,
S/023/040, Juab County, Utah

Dear Mr. Mogensen:

Thank you for your Notice of Intention to Commence Small Mining Operations, received by the Division on August 26, 1994. The application for the proposed Chief No. 2 Project, located in the NE 1/4 of the SE 1/4 of Section 18, T10S, R2W, SLBM, Juab County, Utah is complete and no additional information is required at this time.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices", and the statutory penalty for failure to reclaim a minesite (SMO-1).

Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements.



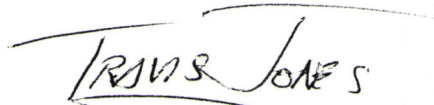
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A Memorandum of Understanding between this Division and the State Department of Environmental Quality (DEQ) requires us to notify them upon receipt of a mining application. If you haven't already done so, you are advised to contact their office prior to starting your small mining operation to determine whether additional permits and/or approvals are required. We will forward a copy of this letter and your notice to the DEQ for their review. Their address and phone number is: Department of Environmental Quality, 288 North 1460 West, Salt Lake City, Utah, 84116, (801) 538-6146.

Regarding your variance request from Rule R647-3-109-1.11 (Shaft Closure), please provide drawings illustrating the proposed method for closure. No variance will be granted until these drawings are received.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,



Travis W. Jones
Reclamation Hydrologist

jb
Enclosure

cc: Kiran Bhayani, DWQ w/NOI
Roger L. Bon, UGS
Minerals File

S023040 *Tom Gast - Environmental Management Services
2301 Research Blvd, suite 103
Fort Collins CO 80526*



(303) 482-9624
Fax: (303) 482-9619
Home: (303) 669-3087

THOMAS E. GAST
Principal

Environmental Management Services Company
2301 Research Boulevard, Suite 103
Fort Collins, CO 80526
(303) 482-3100